

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7771**

**BILL NUMBER:** SB 487

**NOTE PREPARED:** Mar 25, 2005

**BILL AMENDED:** Mar 24, 2005

**SUBJECT:** Airport Boards.

**FIRST AUTHOR:** Sen. Kruse

**FIRST SPONSOR:** Rep. Leonard

**BILL STATUS:** CR Adopted - 2<sup>nd</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** (Amended) This bill allows a board of aviation commissioners or an airport authority board to have five members. (Current law provides that in most cases a board must have four members.) It provides that in counties that do not have a consolidated or second class city, a person engaged or employed in commercial aeronautics is not disqualified from being a board member unless the engagement or employment is in a county the board serves. The bill also provides that the board of an airport authority (other than the Indianapolis airport authority) that has entered into a federal interstate compact shall have seven members. The bill specifies the appointing authorities for the members.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** This proposal could increase expenditures related to boards of aviation commissioners. IC 8-22-2-1 provides that the county, city, or town may provide a per diem in any amount not exceeding \$35 for each whole or part day a board member is engaged in board activities. The board members also shall be paid their actual expenses. To the extent that a county, city, or town increases the size of the board and provides per diem and reimburses actual board member expenses, total expenditures for the board would increase.

Also, IC 8-22-3-8 provides that members of local airport authorities shall serve without compensation, unless the fiscal body of the entity (or if established by more than one entity, the fiscal bodies of the entities) chooses

to provide a per diem for the members. The amount of the per diem may not exceed \$35 for each whole or part day a member is engaged in board activities. The members of the board shall also be paid their actual expenses. To the extent that a county, city, or town increases the size of the board and provides per diem and reimbursement of expenses, total expenditures for the board would increase.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Boards of Aviation Commissioners; Airport Authority Boards.

**Information Sources:**

**Fiscal Analyst:** James Sperlik, 317-232-9866.